GOVERNMENT OF INDIA
MICRO,SMALL AND MEDIUM ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:5971
ANSWERED ON:10.04.2017
Employment in MSME Sector
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Will the Minister of MICRO,SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether the Micro, Small and Medium Enterprises (MSMEs) sector has been playing an important role in generation of employment in the country;

(b) if so, the details thereof including the funds allocated and the targets fixed by the Government for generation of employment in the MSME sector during the last two years and the current year, State/UT-wise;

(c) the extent to which the targets have been achieved during the said period; and

(d) the further steps taken/being taken by the Government to achieve the said targets in a time bound manner?

Answer

MINISTER OF STATE IN THE MINISTRY OF
MICRO, SMALL AND MEDIUM ENTERPRISES
(SHRI GIRIRAJ SINGH)

(a)to(c): Yes, Madam. The government monitors the employment in the MSME sector in the country by conducting All India Census of the sector, periodically. As per the last census (Fourth) of Micro, Small & Medium Enterprises data collected with reference to base year 2006-07, as well as data data extracted from the Economic Census 2005 conducted by Central Statistical Office (CSO), Ministry of Statistics & Programme Implementation (MoSPI), for activities excluded from Fourth Census, namely Wholesale/retail trade, legal, educational and social services, hotels & restaurants, Transports and storage & warehousing (except cold storage), the total employment in the MSME sector was 805.24 lakh. The State-wise details of the employment in the MSME sector are given in Annexure I.

Ministry of MSME is implementing Prime Minister's Employment Generation Programme (PMEGP) which is a major credit-linked subsidy programme aimed at generating self-employment opportunities through establishment of micro-enterprises in the non-farm sector by helping traditional artisans and unemployed youth. Any individual above 18 years of age is eligible. For setting up of projects costing above Rs.10 lakh in the manufacturing sector and above Rs. 5 lakh in the business /service sector, the beneficiaries should possess at least VIII standard pass educational qualification.

General category beneficiaries can avail of margin money subsidy of 25 % of the project cost in rural areas and 15% in urban areas. For beneficiaries belonging to special categories such as scheduled caste/scheduled tribe/OBC /minorities/women, ex-serviceman, physically handicapped, NER, Hill and Border areas etc. the margin money subsidy is 35% in rural areas and 25% in urban areas.

The Scheme was launched during 2008-09. A total of 4.23 lakh micro enterprises have been assisted with a margin money subsidy of Rs 8695.27 crore providing employment to an estimated 35.48 lakh persons since PMEGP's inception till 2016-17.

The State/UTwise details of targets fixed, funds allocated, utilized and employment generation under the Scheme during each of the last three years in the country is placed at Annexure-II.

(d): Following initiatives have been taken to achieve the targets under PMEGP Scheme:

â€¢ In order to streamline the process of application flow and fund flow and to bring in transparency and better financial management and to prevent parking of funds at Nodal bank level an online PMEGP-MIS web portal has been introduced. All applications and fund flow will be processed online in stipulated time frame.

â€¢ Publicity is being made through print and electronic media, awareness camps at District level and State level are being organized in order to propagate the PMEGP scheme for the development of micro industries.

â€¢ Exhibitions are also conducted at district/state/zone and national level for providing marketing support to the entrepreneurs/units.

â€¢ For speedy completion of EDP training, these are being conducted through Departmental Training Centres as well as RSETIs/RUDSETIs as per MOU executed between KVIC & MCR.

â€¢ Industries such as Khadi, processing of Pashmina Wool, handloom and power loom units, value added products for tea, coffee,

rubber etc. and transport activities are now eligible for funding under PMEGP.

â€¢ Implementing Agencies are instructed to encourage and provide necessary assistance to the beneficiaries for filing online application by setting up of help desks.